

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 244 – HB 189

March 1, 2011

SUMMARY OF BILL: Defines “cadmium” and “children’s product” under the Hazardous Substances Act. Prohibits the manufacture, sale, offer for sale, or distribution of any children’s product containing cadmium in excess of 0.004 percent by weight, effective July 1, 2013. Requires the Department of Agriculture to enforce the prohibition with existing resources.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$3,000/ FY13-14 and Subsequent Years

Assumptions:

- The Department of Agriculture must analyze product samples to determine if they contain more than 0.004 percent of cadmium.
- The Department estimates analyzing 40 product samples each year in groups of 20.
- According to the Department, the cost for reagents necessary for analysis is approximately \$500 for each group of 20 (or \$1,000 total). The cost for each product sampled is estimated to be \$50.
- The recurring increase in state expenditures will be \$3,000 [$\$1,000 + (\$50 \text{ per sample} \times 40 \text{ samples})$] beginning in FY13-14.
- Directing an agency to use existing resources to perform a new function does not eliminate the fiscal impact of performing the new function since a new function that has a cost will reduce the agency's reversion, or will require creation of additional positions to perform duties of staff who have been redirected to the new function.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

/sbh